

NEWS RELEASE from

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FOR IMMEDIATE RELEASE

Department of Energy Restores \$500,000 Grant Award For Local Business

[WASHINGTON, DC] – Today, Congressman Bill Lipinski announced the restoration of a \$500,000 Department of Energy (DOE) grant commitment to Superior Graphite Co., in Bedford Park, Illinois. The federal money will be used to commercialize Superior Graphite’s innovative and energy-efficient rechargeable lithium-ion batteries.

In December 2002, after a highly competitive application process, the DOE announced that Superior Graphite was one of five companies in the nation to win the National Industrial Competitiveness through Energy, Environment and Economics (NICE³) award. Each of the five companies were to share \$2,500,000. However, in February 2003, the Bush Administration rescinded the NICE³ grant program in their 2004 federal budget request to Congress, and informed the company that their grant was no longer forthcoming.

“Superior Graphite was caught in the middle of federal budget-tightening in Washington,” said Congressman Lipinski. “This case was rather severe in that the Department of Energy concluded that this company was worthy of the funds, indicated in writing the funds were awarded, and then suddenly rescinded the promise – a result of its own budget request.”

On May 20th, 2003, Lipinski wrote to Energy Secretary Spencer Abraham to inquire about the DOE’s sudden reversal. On June 10th, 2003, the DOE’s Assistant Secretary for Energy Efficiency and Renewable Energy phoned Lipinski and stated the funding would be made available from other DOE accounts. The logistics of disbursement are currently being determined by the Department of Energy.

“I congratulate the Department of Energy for their responsible and business-friendly handling of this oversight. The State of Illinois and the federal government coordinate thousands of federal contracts and grants. The failure to restore this promise would have severely diminished the trust and working relationship of the various levels of our government. Furthermore, I believe the Department of Energy realized that if good businesses like Superior Graphite cannot rely on federal grant promises, scarce federal resources would be distributed to less-worthy competitors,” Lipinski stated.

Besides the active cooperation of the Illinois Department of Commerce and Economic Opportunity (DCEO), Lipinski had the support of several other elected leaders in Illinois. Senator Richard Durbin, Congressman Don Manzullo (R-Rockford), the Chairman of the Small Business Committee, and Congressman John Shimkus (R-Collinsville) of the Energy & Commerce Committee also contributed to the effort.

“I would like to especially thank Senator Durbin, Congressmen Manzullo and Shimkus for their capable assistance and concern for Illinois businesses,” concluded Lipinski.

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